Agenda Item for Notice of AGM

X.   **Amendment to Constitution – eligibility to be an elected director**

To consider and, if thought fit, to pass the following resolution as a special resolution to amend the Constitution:

That the Credit Union's Constitution be amended by replacing Rule 13.2(2)(b) with the following:

(b)   unless the **board** resolves that this paragraph (b) does not apply to the person, the person has not been a **member** continuously for at least 1 year at the date of nomination; or

Note: The proposed amendment to the Credit Union's Constitution will vary a condition for eligibility to be elected as director. See the Explanatory Notes to this Notice for further information.

Explanatory Notes

Agenda Item X. Amendment to Constitution – eligibility to be an elected director

This special resolution will amend the Credit Union's Constitution to:
- reduce from 3 years to 1 year the minimum membership period required for persons to become elected directors;
- give the board of directors the discretion to exempt a person from having to meet this minimum membership period.

The Credit Union's Constitution currently requires a member seeking election as director to have been a member continuously for at least 3 years at the date of nomination. This ensures that only members with an established relationship with the Credit Union can be elected directors.

While the Board believes it remains generally appropriate for elected directors to be limited to persons with an established relationship with the Credit Union, this rule can potentially exclude appropriately skilled and experienced persons from being elected as director. The proposed amendments will help the board to address and manage this issue.

The Constitutional requirement that only members can become directors will remain.

To be passed the special resolution requires the approval of at least 75% of the votes cast by members.

Your directors unanimously support this special resolution and recommend that you vote **FOR** it.